Received from the WASHINGTON STATE LIQUOR CONTROL BOARD for filing:

Rules and Regulations, amendatory to Regulation (20), Closing Hours-Sunday Closing-Election Days, being a portion of TITLE II .- RETAIL BEER AND/OR WINE DISPENSARIES; Regulation (61), Premises; Regulation (62), Formula Filed With Board: Regulation (66). Containers-Sizes and Types Permitted; Regulation (67), Domestic Wine Labels; Regulation (69), Stamps-Affixation Before Removal of Wine from Winery; Regulation (70), Procurement of Stamps; Regulation (71), Wine Revenue Stamps-When Necessary; Regulation (72), Case Lot Sales; Regulation (73), Exportation Wine-Proper Stamps; Regulation (75), Domestic Wine Records-Preservation; Regulation (77), Cash Sales-Exception; Regulation (79), Revenue Stamps-Distruction; Regulation (80), Domestic Wine Wholesalers--Reports--Stamps; and Regulation (81), Wine Price Posting, being a portion of TITLE IV .-- DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALERS; and Regulation (127), Direct Mail Advertising Prohibited—Exceptions, being a portion of TITLE IX.—ADVERTISING, were adopted by the Washington State Liquor Control Board on the 15th day of July, 1941, to become effective at 12:01 a.m. August 1, 1941.

DEFENDANT'S
EXHIBIT

CASE
NO. C04-0360P

EXHIBIT

NO. 428

## CERTIFICATION

To the Honorable Belle Reeves Secretary of State State of Washington Olympia

THIS IS TO CERTIFY That the within Rules and Regulations, amendatory to Regulation (20), Closing Hours-Sunday Closing-Election Days, being a portion of TITLE II .- RETAIL BEER AND/OR WINE DISPENSARIES; Regulation (61), Premises; Regulation (62), Formula Filed With Board; Regulation (66), Containers-Sizes and Types Permitted; Regulation (67), Domestic Wine Labels; Regulation (69), Stamps-Affixation Before Removal of Wine From Winery; Regulation (70), Procurement of Stamps; Regulation (71), Wine Revenue Stamps-When Mecessary; Regulation (72), Case Lot Sales; Regulation (73), Exportation Wine-Proper Stamps; Regulation (75), Domestic Wine Records-Preservation; Regulation (77), Cash Sales-Exception; Regulation (79), Revenue Stamps-Destruction; Regulation (80), Domestic Wine Wholesalers-Reports-Stamps; and Regulation (81), Wine Price Posting, being a portion of TITLE IV .-- DOMESTIC WINERIES AND DOMESTIC WIRE WHOLESALERS; and Regulation (127), Direct Mail Advertising Prohibited-Exceptions, being a portion of TITLE IX .- ADVERTISING, were adopted by the Washington State Liquor Control Board on the 15th day of July, 1941, to become effective at 12:01 a. m. August 1, 1941.

IN WITNESS WHEREOF The Washington State Liquor Control Board has caused its name to be hereunder subscribed and its seal affixed, this 15th day of July, 1941.

MADUTUGION	DIAIL	TITAOOR	CONTROL	BOARD

	Ву			
TTEST	L. E. GREGORY - CHAIRMAN			

Genevieve Dolan, Executive Secretary

# WASHINGTON STATE LIQUOR CONTROL BOARD Olympia

The following regulations were adopted by the Washington State Liquor Control Board this 15th day of July, 1941, to become effective at 12:01 a. m. August 1, 1941.

The following amendment to Regulation (20) was adopted:

TITLE II.—RETAIL BEER AND/OR WINE DISPENSARIES

(20) Closing Hours-Sunday Closing-Election Days.

No beer or wine shall be sold or delivered, offered for sale, served or consumed upon any licensed premises upon the day of any general, special or primary election of any state, county or municipal officers within the state, district, county or municipal corporation in which such election is held, and before the polls have closed, nor between the hours of twelve of clock midnight on Saturday and six of clock a.m. on the following Monday, nor upon any weekday between the hours of one of clock a.m. and six of clock a.m.:

Provided, however, That any municipality may fix earlier closing hours.

The following amendments to Regulations (61), (62), (66), (67), (69), (70), (71), (72), (73), (75), (77), (79), (80) and (81) were adopted:

TITLE IV.—DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALERS

## (61) Premises.

No product shall be sold as domestic wine unless every part and portion of the manufacture thereof was had or done on and within an approved bonded winery premises, established under Federal law and/or regulations: Provided, however, That nothing herein contained shall prevent the sale of domestic wines fortified on approved bonded winery premises in accordance with Federal and state law and/or regulations with fruit brandy or wine spirits.

#### (72) Case Lot Sales.

No domestic winery shall sell or otherwise deliver domestic wine to a domestic wine wholesaler except in whole case lots, nor shall any domestic wine wholesaler receive from any domestic winery domestic wine except in whole case lots.

#### (73) Exportation Wine-Proper Stamps.

Domestic wine intended for export may be exported direct by the domestic winery manufacturing or producing the same, or sold and shipped by such domestic winery to a domestic wine wholesaler, without the affixation of "wine revenue" stamps, provided proper "wine in transit" stamps are properly affixed to the outside of the cases in such manner as the board shall prescribe.

## (75) Domestic Wine Records-Preservation.

- (a) Every domestic winery and domestic wine wholesaler shall keep domestic wine accounts separate from other accounts, and keep and maintain proper records in a form approved by the board showing all transactions in domestic wine.
- (b) Every domestic winery and domestic wine wholesaler stall, in the case of sales of domestic wine within the state keep and preserve all involves, bills of lading, sales slips, and other evidence of sale, in the office of the domestic winery or domestic wine wholesaler for at least two years after each sale.
- (c) Every domestic winery and domestic wine wholeseler shall, in the case of domestic wine exported from the state, keep and preserve all bills of lading and other evidence of shipment in the office of the domestic winery or domestic wine wholeseler for at least two years after each shipment.

(d) In the case of sales, transfers or shipments of domestic wine between a domestic winery and a domestic wine wholesaler, or between two domestic wineries, or between two domestic wine wholesalers, both the shipping and receiving domestic winery and domestic wine wholesaler, as the case may be, shall keep and preserve all invoices, bills of lading, sales slips, and other evidence of sale, transfer or shipment in their respective offices for at least two years after each sale, transfer or shipment.

#### (77) Cash Sales-Exception.

No domestic winery nor domestic wine wholesaler shall sell or deliver any domestic wine within the state except for cash paid at the time of, or prior to, the delivery of such domestic wine: Provided, That credit not to exceed thirty days may be extended to railroads holding licenses under Section 23-L of the Washington State Liquor Act.

## (79) Revenue Stamps-Destruction.

Every "wine revenue" stamp shall be destroyed or mutilated so that the same cannot thereafter be used, as follows: (1) if the case be broken by the demestic winery and a portion only of the bottles in said case be delivered to a retailer, then the "wine revenue" stamps shall be destroyed when such case is opened by such demestic winery; (2) if the case be broken by the demestic wine wholesaler and a portion only of the bettles in said case be delivered to a retailer, then the "wine revenue" stamp shall be destroyed when such case is opened by such demestic wine wholesaler; or (3) when the wine is sold in full case lots, either by the demestic winery or the demestic wine wholesaler, the "wine revenue" stamp or stamps shall be destroyed at or before the time that the delivery of the wine to the retailer is made and payment made by the retailer, such destruction to be made by the demestic winery or the demestic wine wholesaler, as the case may be.

## (80) Domestic Wine Wholesalers-Reports-Stamps.

All domestic wine wholesalers who during any month have received, handled or had on hand at the end of such month any domestic wine received by them with "wine in transit" stamps only affixed to the cases, shall, on or before the tenth day of the succeeding month, furnish to the board a report upon forms prescribed or furnished by the board showing the disposition of all such "wine in transit" stamped domestic wine, and if exported from the state, the name and address of the person to whom exported. Such report shall also show the number, type and size of all cases respectively, and if sold to licensees, shall show the facts as to the affixation of "wine revenue" stamps.

## (81) Wine Price Posting.

Every domestic winery shall file with the board at its office in Olympia a "wine price posting" showing the delivered prices at which any and all
brands of wine offered for sale by such domestic winery shall be sold within
the state, which prices shall be uniform for all retailers within the state.
All price postings shall be made upon forms prescribed and furnished by the
board and shall set forths

- (a) All brands, types and sizes of bottles or glass containers of wine offered for sale by such domestic winery, which bottles or glass containers shall be limited to the sizes permitted in Regulation (66).
- (b) The delivered sale prices thereof within the state, including allowances, if any, for returned empty bottles or glass containers.

No domestic winery nor domestic wine wholesaler shall sell or offer for sale any bottle or glass container of domestic wine at a price differing from the price for such bottle or glass container of domestic wine as shown in the price posting then in effect filed by the domestic winery whose label appears on such bottle or glass container.

- 7 -

TX428-006

No price posting shall become effective until ten days after the actual filing thereof with the board.

No price posting involving quantity discounts shall be made.

All price postings filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not in any sense be considered confidential.

The following amendment to Regulation (127) was adopted:

TITLE IX.—ADVERTISING

(127) Direct Mail Advertising Prohibited-Exceptions.

No liquor advertising shall be sent directly to a consumer, by mail or otherwise: Provided, That this prohibition shall not apply to liquor advertising contained in newspapers or periodicals; and provided also, That cocktail recipes may be distributed on direct written request.

IT IS ORDERED That each and all of the foregoing amended regulations become effective at 12:01 a. m. August 1, 1941.

IT IS FURTHER ORDERED That copies of the foregoing amended regulations be filed in the office of the Secretary of State and forthwith published in pamphlets, which pamphlets shall be distributed free at all liquor stores and agencies.

	WASHINGTON STATE LIQUOR CONTROL BOARD
	By L. E. Gregory, Chairman
ATTEST:	Henry Gregerson, Nember
Genevieve Dolan, Executive Secretary APPROVED AS TO FORM:	
George Downer, Asst. Attorney General	

-8 -

TX428-007